

STATE OF LOUISIANA

DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

XTO ENERGY, INC.

AI # 3269, 32366, 32367, 32368, 32369, 32370,
32371, 32372, 32373, 32375, 32376, 32377,
32378, 32379, 32380, 32381, 32382, 32385,
32386, 32773, 85607, 85608, 86426, 87957,
98175, 103602, 103603, 103604, 103605,
103607, 103608, 103609, 103610, 187599

PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT

LA. R.S. 30:2001, ET SEQ.

* Settlement Tracking No.

* SA-MM-21-0080

* Enforcement Tracking Nos.

* WE-CN-14-00171

* AE-CN-12-01185

* AE-CN-15-01304

* Docket No. 2018-0402-EQ c/w

* 2017-0320-EQ

*

SETTLEMENT

The following Settlement is hereby agreed to between XTO Energy, Inc. ("Respondent") and the Department of Environmental Quality ("DEQ" or "the Department"), under authority granted by the Louisiana Environmental Quality Act, La. R.S. 30:2001, et seq. ("the Act").

I

Respondent is a corporation that owns and/or operates facilities located in Webster Parish, Bossier Parish, LaSalle Parish, and St. Charles Parish, Louisiana ("the Facilities").

II

On April 17, 2015, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. WE-CN-14-00171 (Exhibit 1).

On October 19, 2015, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-12-01185 (Exhibit 2).

On October 20, 2016, the Department issued to Respondent a Consolidated Compliance Order & Notice of Potential Penalty, Enforcement Tracking No. AE-CN-15-01304 (Exhibit 3).

III

In response to the Consolidated Compliance Orders & Notices of Potential Penalty (Enforcement Tracking Nos. AE-CN-12-01185 and AE-CN-15-01304), Respondent made timely requests for hearings.

IV

Respondent denies it committed any violations or that it is liable for any fines, forfeitures and/or penalties.

V

Nonetheless, Respondent, without making any admission of liability under state or federal statute or regulation, agrees to pay, and the Department agrees to accept, a payment in the amount of FIFTY-FIVE THOUSAND AND NO/100 DOLLARS (\$55,000.00), of which One Thousand Five Hundred Eleven and 90/100 Dollars (\$1,511.90) represents the Department's enforcement costs, in settlement of the claims set forth in this agreement. The total amount of money expended by Respondent on cash payments to the Department as described above, shall be considered a civil penalty for tax purposes, as required by La. R.S. 30:2050.7(E)(1).

VI

Respondent further agrees that the Department may consider the inspection report(s), permit record(s), the Consolidated Compliance Orders & Notices of Potential Penalty and this Settlement for the purpose of determining compliance history in connection with any future enforcement or permitting action by the Department against Respondent, and in any such action Respondent shall be estopped from objecting to the above-referenced documents being considered as proving the

violations alleged herein for the sole purpose of determining Respondent's compliance history.

VII

This agreement shall be considered a final order of the Secretary for all purposes, including, but not limited to, enforcement under La. R.S. 30:2025(G)(2), and Respondent hereby waives any right to administrative or judicial review of the terms of this agreement, except such review as may be required for interpretation of this agreement in any action by the Department to enforce this agreement.

VIII

This settlement is being made in the interest of settling the state's claims and avoiding for both parties the expense and effort involved in litigation or an adjudicatory hearing. In agreeing to the compromise and settlement, the Department considered the factors for issuing civil penalties set forth in La. R. S. 30:2025(E) of the Act.

IX

As required by law, the Department has submitted this Settlement Agreement to the Louisiana Attorney General for approval or rejection. The Attorney General's concurrence is appended to this Settlement Agreement.

X

The Respondent has caused a public notice advertisement to be placed in the official journal of the parish governing authority in Webster Parish, Bossier Parish, LaSalle Parish, and St. Charles Parish, Louisiana. The advertisement, in form and wording approved by the Department, announced the availability of this settlement for public view and comment and the opportunity for a public hearing. Respondent has submitted an original proof-of-publication affidavit and an original public notice to the Department and, as of the date this Settlement is executed on behalf of the Department,

more than forty-five (45) days have elapsed since publication of the notice.

XI

Payment is to be made within forty-five (45) days from notice of the Secretary's signature. If payment is not received within that time, this Agreement is voidable at the option of the Department. Payments are to be made by check, payable to the Department of Environmental Quality, and mailed or delivered to the attention of Accountant Administrator, Financial Services Division, Department of Environmental Quality, Post Office Box 4303, Baton Rouge, Louisiana, 70821-4303. Each payment shall be accompanied by a completed Settlement Payment Form (Exhibit A).

XII

In consideration of the above, any claims for penalties are hereby compromised and settled in accordance with the terms of this Settlement.

XIII

Each undersigned representative of the parties certifies that he or she is fully authorized to execute this Settlement Agreement on behalf of his or her respective party, and to legally bind such party to its terms and conditions.

XTO ENERGY, INC.

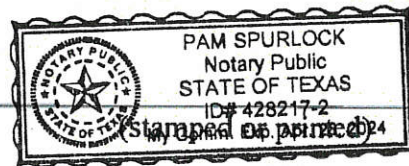
BY: Keith Underwood
(Signature)

Keith Underwood
General Manager Unconventionals
Eastern Business Unit
(Printed)

TITLE: _____

THUS DONE AND SIGNED in duplicate original before me this 29th day of March, 2022, at 10:30 am.

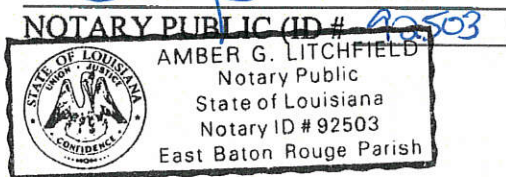
Pam Spurlock
NOTARY PUBLIC (ID # 428217-2)



LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY
Chuck Carr Brown, Ph.D., Secretary

BY: Celena J. Guze
Celena J. Guze, Assistant Secretary
Office of Environmental Compliance

THUS DONE AND SIGNED in duplicate original before me this 19th day of May, 2022, at Baton Rouge, Louisiana.



Approved: Lourdes Iturralde
Lourdes Iturralde, Assistant Secretary



BOBBY JINDAL
GOVERNOR

PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

April 17, 2015

CERTIFIED MAIL (7004 2510 0006 3853 2592)
RETURN RECEIPT REQUESTED

XTO ENERGY, INC.
c/o Corporation Service Company
Agent for Service of Process
320 Somerulos Street
Baton Rouge, LA 70802-6129

RE: **CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. WE-CN-14-00171
AGENCY INTEREST NO. 3269 and 187599**

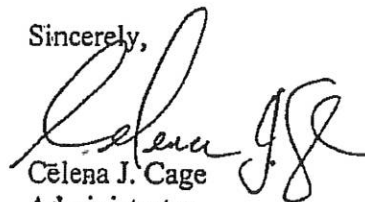
Dear Sir/Madam:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **XTO ENERGY, INC. (RESPONDENT)** for the violations described therein.

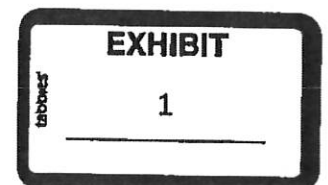
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Taylor Alexander at (225) 219-3088.

Sincerely,


Celeste J. Cage
Administrator
Enforcement Division

CJC/TMA/tma
Alt ID No. LAU007497; LAG480744; LAU007500
Attachment



STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
XTO ENERGY, INC.	*	ENFORCEMENT TRACKING NO.
RED RIVER PARISH	*	
ALT ID NO. LAU007497; LAG480744;	*	WE-CN-14-00171
LAU007500	*	
	*	AGENCY INTEREST NO.
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT,	*	3269 and 187599
La. R.S. 30:2001, ET SEQ.	*	

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **XTO ENERGY, INC. (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates Cotton Valley Gas Plant, Bodcau Line (AI 3269) located off Magnolia Camp Road, 0.75 miles north of the Plant in Cotton Valley, Webster Parish, Louisiana. On or about March 25, 2011, the Respondent was issued Louisiana Pollutant Discharge Elimination System (LPDES) permit LAG480471 to discharge cooling tower blowdown and boiler blowdown from the gas plant to Bayou Dorcheat via local drainage and Gray Creek in subsegment 100501 of the Red River Basin. LPDES permit LAG480471 will expire on November 30, 2015. Bodcau Line is not covered under LPDES permit LAG480471, and is identified by the alternate ID number LAU007497. The Department conducted an inspection of the facility on or about August 26, 2013, and a subsequent file review on or about February 6, 2015. The following violations were noted:

- A. An inspection conducted by the Department on or about August 26, 2013, revealed that the Respondent caused and/or allowed the unauthorized discharge of oilfield wastes, including produced waters. Specifically, the Respondent reported that 5 barrels of oil condensate and 5 barrels of produced water were released to soil on August 14, 2013, due to a leaking pipeline. At the time of the inspection, the spill area had not been remediated and there was dead vegetation in the spill path. The unauthorized discharge of oilfield waste is a violation of LAC 33:IX.708.C.1.a, LAC 33:IX.708.C.2.a.ii, and La. R.S. 30:2076(A)(3).
- B. An inspection conducted by the Department on or about August 26, 2013, revealed that the Respondent failed to initiate remediation immediately following an unauthorized discharge of oilfield wastes, including produced waters. Specifically, 5 barrels of oil condensate and 5 barrels of produced water were released to the ground, and the area had not been remediated at the time of inspection. The inspector also noted that there was dead vegetation in the spill path. The failure to immediately initiate remediation is a violation of LAC 708.C.1.b.iv and La. R.S. 30:2076(A)(3).
- C. A file review conducted by the Department on or about February 6, 2015, revealed that the Respondent failed to provide timely written notification of the unauthorized discharge of a material that exceeded the reportable quantity but did not cause an emergency condition. Specifically, the Respondent reported that oil condensate and produced water were released to soil on August 14, 2013. However, the Respondent did not submit a follow-up written report within 7 days after the discovery of the unauthorized discharge. The failure to provide timely written notification is a violation of LAC 33:I.3925.A.

II.

The Respondent owns and/or operates USA #28 (AI 187599) located 0.8 miles west of Crows Foot, Barksdale Air Force Base, Bossier Parish, Louisiana. The facility is identified by the alternate ID number LAU007500. The Department conducted an inspection of the facility on or about May 28, 2013. The following violations were noted:

- A. An inspection conducted by the Department on or about May 28, 2013, revealed that the Respondent caused and/or allowed an unauthorized discharge of oil field wastes, including produced water. Specifically, the Respondent reported that 2 barrels of produced water were released to a dirt road on May 27, 2013, due to a broken pipeline. At the time of the inspection, the Respondent stated the contaminated soil would be removed and hauled to the Webster Parish Landfill. The unauthorized discharge of oil field waste is a violation of LAC 33:IX.708.C.1.a, LAC 33:IX.708.C.2.a.ii, and La. R.S. 30:2076(A)(3).
- B. An inspection conducted by the Department on or about May 28, 2013, revealed that the Respondent failed to develop a Spill Prevention and Control plan. Specifically, the SPCC Plan addresses regulations under 40 CFR 112 not LAC 33:IX.905 and LAC 33:IX.708.C. Additionally, the Plan does not include flow line integrity testing required by LAC 33:IX.708.C.1.b. The failure to develop an SPC plan is a violation of LAC 33:IX.905 and La. R.S. 30:2076(A)(3).

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Water Quality Regulations.

II.

To develop and implement, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, an adequate Spill Prevention and Control Plan (SPC) for USA #28 (AI 187599) as outlined in LAC 33:IX.907 and submit a copy to the Enforcement Division within thirty (30) days after receipt of this **COMPLIANCE ORDER**.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order

Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attn: Taylor Alexander
Re: Enforcement Tracking No. WE-CN-14-00171
Agency Interest No. 3269 and 187599

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. WE-CN-14-00171
Agency Interest No. 3269 and 187599

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Taylor Alexander at (225) 219-3088 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.

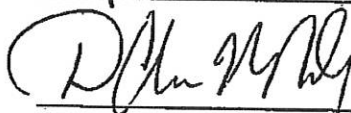
III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 17 day of April, 2015.



D. Chance McNeely
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Taylor Alexander

BOBBY JINDAL
GOVERNOR



PEGGY M. HATCH
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

October 19, 2015

CERTIFIED MAIL (7004 2510 0006 3852 6188)
RETURN RECEIPT REQUESTED

XTO ENERGY INC.
c/o Corporation Service Company
Agent for Service of Process
320 Somerulos Street
Baton Rouge, Louisiana 70802

RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-12-01185
AGENCY INTEREST NOS. MULTIPLE

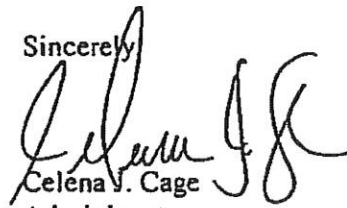
Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is hereby served on XTO ENERGY INC. (RESPONDENT) for the violations described therein.

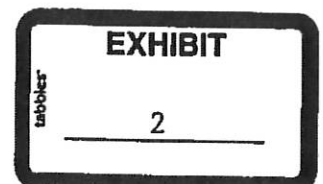
Compliance is expected within the maximum time period established by each part of the COMPLIANCE ORDER. The violations cited in the CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Sarah Acosta at (225) 219-3704.

Sincerely,


Celena V. Cage
Administrator
Enforcement Division

CJC/SEA/sea
Alt ID Nos. Multiple
Attachment



c: XTO Energy Inc.
810 Houston Street
Fort Worth, Texas 76102

STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

IN THE MATTER OF	*	
	*	
XTO ENERGY INC.	*	ENFORCEMENT TRACKING NO.
MULTIPLE PARISHES	*	
ALT ID NOS. MULTIPLE	*	AE-CN-12-01185
	*	
	*	AGENCY INTEREST NOS.
PROCEEDINGS UNDER THE LOUISIANA	*	
ENVIRONMENTAL QUALITY ACT,	*	MULTIPLE
La. R.S. 30:2001, ET SEQ.	*	

CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY

The following CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is issued to XTO ENERGY INC. (RESPONDENT) by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates the following facilities.

AGENCY INTEREST (AI) NUMBER	FACILITY	LOCATION	PERMIT NUMBER	ISSUE DATE
32366	Bobcaw Fee 76 Tank Battery	Nebo, LaSalle Parish, LA	1680-00019-00	Rescinded on 10/18/2012
32367	NOC F-181 Tank Battery	Nebo, LaSalle Parish, LA	1680-00022-00	Rescinded on 10/18/2012
32368	Bobcaw Fee 146 Tank Battery	Nebo, LaSalle Parish, LA	1680-00023-00	Rescinded on 10/18/2012
32369	Coon-Wilson Tank Battery	1.7 miles northwest of Nebo, LaSalle Parish, LA	1680-00024-01	7/15/2013

32370	Goodpine F-53 Tank Battery	2 miles northwest of Nebo, LaSalle Parish, LA	1680-00025-01	11/25/2013
32371	Goodpine A-25 Tank Battery	Louisiana Highway 127 in Nebo, LaSalle Parish, LA	1680-00026-01	12/2/2013
32372	Goodpine A-43 Tank Battery	2.5 miles south of Nebo, LaSalle Parish, LA	1680-00028-01	10/10/2013
32373	Goodpine F-71 Tank Battery	1.5 miles southwest of Jena, LaSalle Parish, LA	1680-00029-01	11/12/2013
32375	Goodpine F-84 Tank Battery	Nebo, LaSalle Parish, LA	1680-00033-00	Rescinded on 10/18/2012
32376	IPB LLS 157 Tank Battery	5 miles southwest of Nebo, LaSalle Parish, LA	1680-00034-01	4/2/2013
32377	NOC F-161 Tank Battery	2 miles southwest of Nebo, LaSalle Parish, LA	1680-00035-00	Rescinded on 8/26/2015
32378	Goodpine H & H Tank Battery	2 miles southwest of Nebo, LaSalle Parish, LA	1680-00036-01	7/8/2013
32379	Goodpine F-82 Tank Battery	Nebo, LaSalle Parish, LA	1680-00038-00	Rescinded on 10/18/2012
32380	Goodpine A-32 Tank Battery	1.7 miles northwest of Nebo, LaSalle Parish, LA	1680-00040-01	10/9/2013
32381	Bobcaw Fee 71 Tank Battery	2 miles southwest of Nebo, LaSalle Parish, LA	1680-00041-01	10/15/2013
32382	Nebo A Saltwater Disposal	2 miles west of Nebo, LaSalle Parish, LA	1680-00043-00	5/18/1993
32385	Searcy Field Production Facility	Nebo, LaSalle Parish, LA	1680-00051-00	Rescinded on 10/18/2012
32386	IPB LLS #67 Tank Battery	off Louisiana Highway 8, 7 miles south of Trout, LaSalle Parish, LA	1680-00052-01	2/20/2014
32773	North St. Rose Field Production Facility	St. Rose, St. Charles Parish, LA	2520-00054-01	Rescinded on 10/18/2012
85607	LA Central #128 Tank Battery	3.67 miles northeast of Summerfield, LaSalle Parish, LA	1680-00060-02	4/14/2014
85608	Louisiana Central No. 84 Lease	8 miles south of Olla, LaSalle Parish, LA	1680-00058-00	Rescinded on 9/2/2015
86426	IPB LLS NH 3 Tank Battery	Near Jena, LaSalle Parish, LA	1680-00054-02	2/17/2014
87957	Little Creek Field Facility	Zenoria, LaSalle Parish, LA	1680-00048-02	Rescinded on 10/18/2012
98175	Gray Tank Battery Trout Field	Off of Strocieg Road 4.5 miles south southwest of Trout, LaSalle Parish, LA	1680-00021-01	4/4/2013

103602	Nebo E Saltwater Disposal Facility	Off of Louisiana Highway 127 near Nebo, LaSalle Parish, LA	1680-00044-00	5/26/1993
103603	Goodpine A-14 Tank Battery	2 miles northwest of Nebo, LaSalle Parish, LA	1680-00337-01	5/9/2014
103604	Goodpine A-2 Tank Battery	5 miles northwest of Nebo, LaSalle Parish, LA	1680-00042-01	11/4/2013
103605	Goodpine A-29 Tank Battery	Nebo, LaSalle Parish, LA	1680-00027-00	Rescinded on 10/18/2012
103607	Jena Airport 14-1 Tank Battery	Hanger Road in Jena, LaSalle Parish, LA	1680-00045-04	9/11/2013
103608	Nebo Gas Facility	Jena, LaSalle Parish, LA	1680-00018-00	Rescinded on 10/18/2012
103609	NOC F-158 Tank Battery	Nebo, LaSalle Parish, LA	1680-00047-00	Rescinded on 10/18/2012
103610	Rogers Field Production Facility	5 miles southwest of Nebo, LaSalle Parish, LA	1680-00030-00	Rescinded on 9/2/2015

II.

On or about July 30, 2014, and October 2, 2015, file reviews of the facilities listed in the above table were performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the investigation by the Department is not yet complete, the following violations were noted during the file reviews:

- A. The Respondent became the owner/operator of the aforementioned facilities on September 2, 2008. For some of the facilities listed above the Respondent submitted a Notification of Change Form (NOC-1) to the Department on or about August 26, 2011, but technically complete NOC-1s were received for the above referenced facilities on or about September 10, 2012. Each failure to submit the NOC-1 and associated documentation to the Department within forty-five (45) days after a change in ownership of a permitted facility is a violation of LAC 33:I.1907.B; LAC 33:III.517.G; and La. R.S. 30:2057(A)(2).
- B. The Respondent operated without authorization the facilities listed below from September 2, 2008, through September 24, 2012.

AGENCY INTEREST (AI) NUMBER	FACILITY
32369	Coon-Wilson Tank Battery
32370	Goodpine F-53 Tank Battery
32371	Goodpine A-25 Tank Battery
32372	Goodpine A-43 Tank Battery
32373	Goodpine F-71 Tank Battery
32376	IPB LLS 157 Tank Battery
32377	NOC F-161 Tank Battery
32378	Goodpine H & H Tank Battery
32380	Goodpine A-32 Tank Battery
32381	Bobcaw Fee 71 Tank Battery
32382	Nebo A Saltwater Disposal
32386	IPB LLS #67 Tank Battery
85607	LA Central #128 Tank Battery
85608	Louisiana Central No. 84 Lease
86426	IPB LLS NH 3 Tank Battery
98175	Gray Tank Battery Trout Field
103602	Nebo E Saltwater Disposal Facility
103603	Goodpine A-14 Tank Battery
103604	Goodpine A-2 Tank Battery
103607	Jena Airport 14-1 Tank Battery
103610	Rogers Field Production Facility

Each unauthorized operation of a facility from the date of acquisition until the permit was transferred on September 24, 2012, is a violation of LAC 33:III.501.C.2 and La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

III.

The Respondent owns and/or operates the Cotton Valley Gas Plant (the facility) located at 1256 Marathon Road in Cotton Valley, Webster Parish, Louisiana. The facility currently operates under Title V Permit No. 3080-00019-V6 issued on April 15, 2015.

On or about October 23, 2012, a Chemical Accident Prevention Provisions (CAPP) inspection of the Cotton Valley Gas Plant (AI No. 3269) was performed to determine the degree of compliance with the Act and the Air Quality Regulations. While the investigation by the Department is not yet complete, the following violations were noted during the inspection and subsequent file reviews conducted on July 30, 2014, and September 23, 2015:

- A. In the 2011 2nd Semiannual Monitoring Report and 2011 Annual Compliance Certification dated January 4, 2012, the Respondent reported while trying to update the engine inlet temperature reading systems for EQT0030 and EQT0029 it was discovered that data was not stored for approximately 50 hours for each of the engines. The Respondent reported that the file storage of the remote server was filled to capacity. The Respondent's failure to record monitored data is a violation of 40 CFR 63.6640(a), which language has been adopted as a Louisiana regulation in LAC 33:III.5122, Title V Permit No. 3080-00019-V5, LAC 33:III.501.C.4, and La. R.S. 30:2057(A)(2).
- B. The Respondent's 2012 1st Semiannual Monitoring Report dated August 7, 2012, states a total power failure to the plant process equipment occurred when the generators failed. After restoring power and restarting, it was determined that the thermal oxidizer would not clear permissives that are required for the unit to load. Replacement parts were ordered and arrived the next morning. Once the parts were replaced it was determined that the variable frequency drive for the blower fan had a short circuit. The replacement part was ordered and repairs were done once the part arrived. During the time period of May 8 through May 10, 2012, the thermal oxidizer exceeded the benzene hourly emission rate of 0.61 pounds per hour (lbs/hr). The emissions were 1.48168 lbs/hr during this time period. The total amount of benzene released was determined to be 76.43 lbs. The exceedance of a permitted emission limit is a violation of Title V Permit No. 3080-00019-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).

- C. The Respondent submitted an email to the Department on May 10, 2012, stating the thermal oxidizer was back in service and the time venting was stopped. The email also included the calculated volume of benzene vented during the time period of May 8 through May 10, 2012, to be 76.43 lbs. This email did not include all of the required information as specified in LAC 33:I.3925.B. This is a violation of LAC 33:I.3925 and La. R.S. 30:2057(A)(2).
- D. In the 2013 1st Semiannual Monitoring Report dated September 23, 2013, the Respondent reported the thermal oxidizer exceeded its benzene hourly emission rate of 0.61 lbs/hr and the calculated emission rate during the time period of April 27 through May 1, 2013, was 1.48168 lbs/hr. The total amount of benzene released was reported to be 155.576 lbs. The reported cause of the exceedances was a failure in the electronic circuitry of the main burner control. The exceedance of the permit limit is a violation of Title V Permit No. 3080-00019-V5, LAC 33:III.501.C.4, La. R.S. 30:2057(A)(1) and 30:2057(A)(2).
- E. On May 13, 2013, the Respondent submitted written notification for the April 27 through May 1, 2013, incident. The Respondent's failure to submit written notification within seven calendar days is a violation of LAC 33:I.3925 and La. R.S. 30:2057(A)(2).
- F. During the course of the CAPP inspection, the inspector noted the Respondent did not have the required back-up documentation for worst case scenario, alternative release scenario, documentation on the release, methodology to determine the distance to the endpoints or the data used to estimate receptors potentially affected. This is a violation of 40 CFR 68.39, which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).
- G. During the course of the CAPP inspection, the inspector noted the Respondent failed to have sizing basis for pressure safety valves (PSVs) 447, 2005, 301 or any of the PSVs in the Bateman designed fraction system which is the main process system of the facility. This is a violation of 40 CFR 68.65(d)(1)(iv), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).
- H. 40 CFR 68.65 requires process safety information to include information pertaining to the equipment in process. Information pertaining to the equipment in process shall include materials of construction as stated in 40 CFR 68.65(d)(1). During the course of the CAPP inspection, the inspector noted the Respondent did not have

materials for construction of Tank 38. This is a violation of 40 CFR 68.65(d)(1)(i), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).

- I. During the course of the CAPP inspection, the inspector noted the Respondent failed to perform inspections and tests on process equipment. Specifically, MBL 4450 and 4650 pipe inlets were installed in January 1998 and have not been UT corrosion tested, MBL 2500 pipe has never been UT corrosion tested, and MBL 2500 vessel was constructed in 1958 and has never had UT corrosion tests. This is a violation of 40 CFR 68.73(d)(1), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).
- J. During the course of the CAPP inspection, the inspector noted the Respondent failed to perform inspections and test at a frequency consistent with good engineering practices. Specifically, the inspector noted the following:
 1. None of the facility temperature, pressure and flow instruments have an established test frequency. Tests were only being performed when there was a problem.
 2. MBL 4350 inlet was installed in January 1998 as a class 2 pipe which API standards require to be UT corrosion tested within 10 years of installation. It was tested in October 2009 which is 21 months late.
 3. MBL 8610 (demethanizer surge tank) was tested in 1998 but has not been corrosion tested since then. This exceeds the 10 year maximum time stipulated in API standards.

Each incident of the Respondent's failure to perform inspections and test at a frequency consistent with good engineering practices is a violation of 40 CFR 68.73(d)(3), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).

- K. During the course of the CAPP inspection, the inspector noted the Respondent failed to correct deficiencies in equipment that are outside acceptable limits before further use or in a safe and timely manner when necessary means are taken to assure safe operations. Specifically, MBL 0540 (TK 15 - slop tank) UT corrosion testing of CML 02 (course 1) resulted in a retirement date of February 2010. The inspector noted that API standards require a rerating prior to retirement date or removal from service after the retirement date and that neither follow-up testing nor rerating was performed and the vessel was not

taken out of service. This is a violation of 40 CFR 68.73(e), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).

- L. During the course of the CAPP inspection, the inspector noted the three fractionation towers were corrosion tested in August 2009; however, no t-min was used and no retirement dates or corrosion rates were calculated. In addition the inspector noted that MBJ 0620 (TK 38) did not have corrosion rates or next inspection date determined when it was tested in 2003 and 2009 and this does not conform to the API standards. This is a violation of 40 CFR 68.73(d)(2), which language has been adopted as a Louisiana regulation in LAC 33:III.5901.A, and La. R.S. 30:2057(A)(2).

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this COMPLIANCE ORDER, any and all steps necessary to meet and maintain compliance with the Air Quality Regulations including, but not limited to, LAC 33:III.Chapter 5 and 40 CFR 68.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this COMPLIANCE ORDER, a report which includes a timeframe for achieving compliance with applicable requirements of 40 CFR 68 in connection with the violations cited in Paragraphs III.F through L. The report should also include any corrective actions already taken to achieve compliance and any supporting documentation showing how compliance was achieved.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this COMPLIANCE ORDER, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this COMPLIANCE ORDER. This report and all other reports or information required to be submitted to the Enforcement Division by this COMPLIANCE ORDER shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attn: Sarah Acosta
Re: Enforcement Tracking No. AE-CN-12-01185
Agency Interest Nos. Multiple

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this COMPLIANCE ORDER. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this COMPLIANCE ORDER.

II.

The request for an adjudicatory hearing shall specify the provisions of the COMPLIANCE ORDER on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: Hearings Clerk, Legal Division
Re: Enforcement Tracking No. AE-CN-12-01185
Agency Interest Nos. Multiple

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this COMPLIANCE ORDER may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this COMPLIANCE ORDER prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This COMPLIANCE ORDER shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right

to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this COMPLIANCE ORDER shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this COMPLIANCE ORDER becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this COMPLIANCE ORDER and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would

like to have such a meeting, please contact Sarah Acosta at (225) 219-3704 within ten (10) days of receipt of this NOTICE OF POTENTIAL PENALTY.


III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this NOTICE OF POTENTIAL PENALTY. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY is effective upon receipt.

Baton Rouge, Louisiana, this 19 day of October, 2015.



D. Chance McNeely
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Sarah Acosta

JOHN BEL EDWARDS
GOVERNOR



CHUCK CARR BROWN, Ph.D.
SECRETARY

State of Louisiana
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE

October 20, 2016

CERTIFIED MAIL (7004 2510 0006 3852 5686)
RETURN RECEIPT REQUESTED

XTO ENERGY INC.
c/o Corporation Service Company
Agent for Service of Process
501 Louisiana Avenue
Baton Rouge, LA 70802

**RE: CONSOLIDATED COMPLIANCE ORDER
& NOTICE OF POTENTIAL PENALTY
ENFORCEMENT TRACKING NO. AE-CN-15-01304
AGENCY INTEREST NO. 3269**

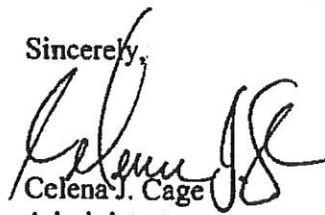
Dear Sir:

Pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001, et seq.), the attached **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is hereby served on **XTO ENERGY INC. (RESPONDENT)** for the violations described therein.

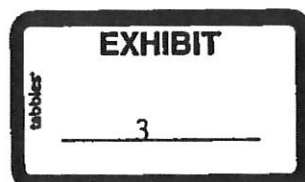
Compliance is expected within the maximum time period established by each part of the **COMPLIANCE ORDER**. The violations cited in the **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** could result in the issuance of a civil penalty or other appropriate legal actions.

Any questions concerning this action should be directed to Pascal Ojong at (225) 219-4468.

Sincerely,


Celena J. Cage
Administrator
Enforcement Division

CJC/PON/pon
Alt ID No. 3080-00019
Attachment



c: XTO Energy Inc.
810 Houston Street
Fort Worth, TX 76102

**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY
OFFICE OF ENVIRONMENTAL COMPLIANCE**

IN THE MATTER OF

**XTO ENERGY INC
WEBSTER PARISH
ALT ID NO. 3080-00019**

**PROCEEDINGS UNDER THE LOUISIANA
ENVIRONMENTAL QUALITY ACT,
La. R.S. 30:2001, ET SEQ.**

*
*
* **ENFORCEMENT TRACKING NO.**
*
* **AE-CN-15-01304**
*
* **AGENCY INTEREST NO.**
*
* **3269**
*

**CONSOLIDATED
COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY**

The following **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is issued to **XTO ENERGY INC (RESPONDENT)** by the Louisiana Department of Environmental Quality (the Department), under the authority granted by the Louisiana Environmental Quality Act (the Act), La. R.S. 30:2001, et seq., and particularly by La. R.S. 30:2025(C), 30:2050.2 and 30:2050.3(B).

FINDINGS OF FACT

I.

The Respondent owns and/or operates the Cotton Valley Gas Plant (the Facility), a natural gas facility, located at 1256 Marathon Road in Cotton Valley, Webster Parish, Louisiana. The Facility operates under the authority of Title V Air Permit No. 3080-00019-V6 issued on or about April 15, 2015.

II.

On or about September 18, 2015, an inspection of the Respondent's facility was performed to determine the degree of compliance with the Act and the Air Quality Regulations.

While the Department's investigation is not yet complete, the following violations were noted during the course of the inspection:

- A. During the course of the inspection, the inspector noted that the Respondent performed preventative maintenance, which includes oil and filter change, inspection of hoses and belts and inspects spark plugs for Compressor #23 (EQT 0028) and Compressor #6 (EQT 0030) at 2,204 hours and 2,297 hours of operation, respectively. According to NESHAP Subpart ZZZZ, maintenance is required to be performed every 2,160 hours of operation or annually, whichever comes first. This is a violation of Specific Requirement Nos. 1 and 3 of Title V Air Permit No. 3080-00019-V6, LAC 33:III.501.C.4, 40 CFR 63.6603 which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).
- B. During the course of the inspection, the inspector noted that no documentation was available for preventative maintenance on hoses and spark plugs for the diesel engines CRG 0004 (EQT Nos. 0020, 0021 and 0022) and 2SLB engines, CRG 0005 (EQT Nos. 0027, 0032, 0033, 0041 and 0042). This is a violation of Specific Requirement Nos. 54, 67 and 68 of Title V Air Permit No. 3080-00019-V6, LAC 33:III.501.C.4, 40 CFR 63.6603 which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).
- C. During the course of the inspection, the inspector noted that, the oil changes for the fire pumps (EQT 0020) and (EQT 0021) were not performed annually and no records of oil changes were available for the backup air compressor (EQT 0022). This is a violation of Specific Requirement Nos. 51, and 52 of Title V Air Permit No. 3080-00019-V6, LAC 33:III.501.C.4, 40 CFR 63.6603 which language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).
- D. During the course of the inspection, the inspector noted that, the oil analysis documentation for 2SLB (EQT 0032 and EQT 0033) was not available for review. This is a violation of Specific Requirement No. 66 of Title V Air Permit No. 3080-00019-V6, LAC 33:III.501.C.4, 40 CFR 63.6603 which

language has been adopted as a Louisiana regulation in LAC 33:III.5122 and La. R.S. 30:2057(A)(2).

COMPLIANCE ORDER

Based on the foregoing, the Respondent is hereby ordered:

I.

To take, immediately upon receipt of this **COMPLIANCE ORDER**, any and all steps necessary to meet and maintain compliance with the Act, the Air Quality Regulations, and all applicable permits.

II.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a documentation demonstrating that the preventative maintenance has been conducted as referenced in Paragraph II.B of the Findings of Fact.

III.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a documentation demonstrating that oil changes have been conducted and the oil analysis have been performed as referenced in Paragraphs II.C and II.D of the Findings of Fact.

IV.

To submit to the Enforcement Division, within thirty (30) days after receipt of this **COMPLIANCE ORDER**, a written report that includes a detailed description of the circumstances surrounding the cited violations and actions taken or to be taken to achieve compliance with the Order Portion of this **COMPLIANCE ORDER**. This report and all other reports or information required to be submitted to the Enforcement Division by this **COMPLIANCE ORDER** shall be submitted to:

Office of Environmental Compliance
Post Office Box 4312
Baton Rouge, Louisiana 70821-4312
Attn: **Pascal Ojong**
Re: **Enforcement Tracking No. AE-CN-15-01304**
Agency Interest No. 3269

THE RESPONDENT SHALL FURTHER BE ON NOTICE THAT:

I.

The Respondent has a right to an adjudicatory hearing on a disputed issue of material fact or of law arising from this **COMPLIANCE ORDER**. This right may be exercised by filing a written request with the Secretary no later than thirty (30) days after receipt of this **COMPLIANCE ORDER**.

II.

The request for an adjudicatory hearing shall specify the provisions of the **COMPLIANCE ORDER** on which the hearing is requested and shall briefly describe the basis for the request. This request should reference the Enforcement Tracking Number and Agency Interest Number, which are located in the upper right-hand corner of the first page of this document and should be directed to the following:

Department of Environmental Quality
Office of the Secretary
Post Office Box 4302
Baton Rouge, Louisiana 70821-4302
Attn: **Hearings Clerk, Legal Division**
Re: **Enforcement Tracking No. AE-CN-15-01304**
Agency Interest No. 3269

III.

Upon the Respondent's timely filing a request for a hearing, a hearing on the disputed issue of material fact or of law regarding this **COMPLIANCE ORDER** may be scheduled by the Secretary of the Department. The hearing shall be governed by the Act, the Administrative Procedure Act (La. R.S. 49:950, et seq.), and the Department's Rules of Procedure. The Department may amend or supplement this **COMPLIANCE ORDER** prior to the hearing, after providing sufficient notice and an opportunity for the preparation of a defense for the hearing.

IV.

This **COMPLIANCE ORDER** shall become a final enforcement action unless the request for hearing is timely filed. Failure to timely request a hearing constitutes a waiver of the Respondent's right to a hearing on a disputed issue of material fact or of law under Section 2050.4 of the Act for the violation(s) described herein.

V.

The Respondent's failure to request a hearing or to file an appeal or the Respondent's withdrawal of a request for hearing on this **COMPLIANCE ORDER** shall not preclude the Respondent from contesting the findings of facts in any subsequent penalty action addressing the same violation(s), although the Respondent is estopped from objecting to this **COMPLIANCE ORDER** becoming a permanent part of its compliance history.

VI.

Civil penalties of not more than twenty-seven thousand five hundred dollars (\$27,500) for each day of violation for the violation(s) described herein may be assessed. For violations which occurred on August 15, 2004, or after, civil penalties of not more than thirty-two thousand five hundred dollars (\$32,500) may be assessed for each day of violation. The Respondent's failure or refusal to comply with this **COMPLIANCE ORDER** and the provisions herein will subject the Respondent to possible enforcement procedures under La. R.S. 30:2025, which could result in the assessment of a civil penalty in an amount of not more than fifty thousand dollars (\$50,000) for each day of continued violation or noncompliance.

VII.

For each violation described herein, the Department reserves the right to seek civil penalties in any manner allowed by law, and nothing herein shall be construed to preclude the right to seek such penalties.

NOTICE OF POTENTIAL PENALTY

I.

Pursuant to La. R.S. 30:2050.3(B), you are hereby notified that the issuance of a penalty assessment is being considered for the violation(s) described herein. Written comments may be filed regarding the violation(s) and the contemplated penalty. If you elect to submit comments, it is requested that they be submitted within ten (10) days of receipt of this notice.

II.

Prior to the issuance of additional appropriate enforcement action(s), you may request a meeting with the Department to present any mitigating circumstances concerning the violation(s). If you would like to have such a meeting, please contact Pascal Ojong at (225) 219-4468 within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**.


III.

The Department is required by La. R.S. 30:2025(E)(3)(a) to consider the gross revenues of the Respondent and the monetary benefits of noncompliance to determine whether a penalty will be assessed and the amount of such penalty. Please forward the Respondent's most current annual gross revenue statement along with a statement of the monetary benefits of noncompliance for the cited violation(s) to the above named contact person within ten (10) days of receipt of this **NOTICE OF POTENTIAL PENALTY**. Include with your statement of monetary benefits the method(s) you utilized to arrive at the sum. If you assert that no monetary benefits have been gained, you are to fully justify that statement.

IV.

This **CONSOLIDATED COMPLIANCE ORDER & NOTICE OF POTENTIAL PENALTY** is effective upon receipt.

Baton Rouge, Louisiana, this 20th day of October, 2016.



Lourdes Kuralde
Assistant Secretary
Office of Environmental Compliance

Copies of a request for a hearing and/or related correspondence should be sent to:

Louisiana Department of Environmental Quality
Office of Environmental Compliance
Enforcement Division
P.O. Box 4312
Baton Rouge, LA 70821-4312
Attention: Pascal Ojong